

October 16, 2019

The Honorable Richard E. Neal Chairman Committee on Ways and Means U.S. House of Representatives Washington, D.C. 20515

Dear Chairman Neal:

On behalf of the 1.7 million members of the American Federation of Teachers, I thank you for holding this important hearing on the affordability of pharmaceuticals.

Every one of our members and their families—from the bus driver living paycheck-to-paycheck, to the nurse who understands the lifeline that prescription drugs can be, to the retired teacher on a fixed income—is concerned about the high cost of prescription drugs. I frequently hear stories from our members about patients who are skipping needed medications because they are forced to choose between their health needs, and making their mortgage or student loan payments or buying food. It is devastating to hear retired educators and healthcare professionals, who have spent their lives helping people, talk about the struggles they face in taking care of their own health needs. This is not unique to our membership; it is happening in households across the country because of the unjustified rising price tag of prescription drugs. An AARP analysis states that 28 percent of pre-Medicare-age adults don't follow the regimen prescribed by their doctors because of the expense.

This hearing should serve as the first step toward passing legislation to reduce what patients pay for medicine. Comprehensive legislation to address the medicine affordability crisis must:

- Mandate that the secretary of health and human services negotiate pharmaceutical prices, particularly for those drugs that do not have significant competition.
- Require that the number of negotiated drugs substantially increase each year, and include authorization language for funding to increase capacity, as needed, at HHS.
- Ensure that negotiated prices are available for all payers and the uninsured.
- Address high launch prices. Legislation should include language providing the secretary with the authority to negotiate prices for drugs that have just been launched.

The American Federation of Teachers is a union of professionals that champions fairness; democracy; economic opportunity; and high-quality public education, healthcare and public services for our students, their families and our communities. We are committed to advancing these principles through community engagement, organizing, collective bargaining and political activism, and especially through the work our members do.

American Federation of Teachers, AFL-CIO

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House Ways & Means/Chairman Neal/Pharmaceutical Affordability Hearing/Page 2

- Ensure that negotiated prices are comparable to those paid internationally, or allow for the safe importation of medicine.
- Include a rising penalty for pharmaceutical firms that refuse to bargain in good faith or seek to game the system.

As a union, we believe healthcare is a right. We have worked hard to ensure that our members have access to high-quality, affordable healthcare, which is why we have fought to defend the Affordable Care Act in the face of repeated attacks by President Trump and congressional Republicans. We have also called for repealing the excise tax on plans with high levels of coverage, worked to end surprise medical billing, and supported increased transparency and competition. As we do this important work, we recognize that now is the time to push for passage of comprehensive legislation to directly address the affordability of many pharmaceuticals. H.R. 3, the Lower Drug Costs Now Act, moves us in this direction, and I am hopeful that it will be enhanced as the House begins to move this much-needed legislation.

Thank you again for your important leadership on this issue. Your work is crucial to ensuring that patients have access to the medicines they need.

Sincerely,

Randi Weingarten

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President

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